

D. C. Public Charter Schools

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$118,257,469	\$137,531,493	\$189,780,128	38.0

The mission of the District of Columbia Public Charter Schools (PCS) is to provide an alternative free education for students who reside in the District of Columbia.

The agency plans to fulfill its mission by achieving the following strategic goals:

- Public charter schools will abide by the provisions set forth in their individual charters.
- Individual public charter schools will comply with all reporting requirements set forth by their respective chartering authorities.
- Public charter schools will provide students with exposure to career pathways and focus on particular areas of study to further enhance students' academic experiences.
- Public charter schools will meet all academic performance goals set forth in their individual charter agreements.
- Chartering authorities will monitor and evaluate performance of public charter schools based on the provisions set forth in each school's charter.
- Chartering authorities will monitor the financial management of each charter school to ensure that each school appropriately manages its resources.

Gross Funds

The proposed budget is \$189,780,128, an increase of \$52,248,635 over the FY 2004 approved budget of \$137,531,493. There are no FTEs supported by this funding.

Programs

Funding supports PCS in achieving its mission to provide academic programs in individual public charter schools, each of which reports to one of two chartering authorities: the District Board of Education (BOE) or the District Public Charter School Board (PCSB).

Public Charter Schools

Charter schools are established as independent non-profit organizations with individual Boards of Trustees charged with management oversight. Charter schools are autonomous, nonsectarian institutions that cannot charge tuition to District residents. In addition, no charter school can impose discriminatory admissions policies or tests on District residents. Within authorized limitations, charter schools exercise control over

their education programs, instruction methods, expenditures, administration, personnel, contracts for goods and services, leases, and purchases of school facilities. Some charter schools specialize in particular subject areas to help establish career pathways and further educational opportunities for students. Other charter schools address specific educational needs, including physical, emotional, or learning disabilities, and limited English-language proficiency.

Chartering Authorities

Although charter schools essentially function as independent non-profit organizations, each school is accountable to one of two chartering authorities: the BOE or the PCSB. Primarily, chartering authorities are responsible for approving charters, monitoring charter schools' operations to ensure compliance with applicable laws and terms of their charters, and revoking charters in cases of poor academic performance and/or mismanagement. In addition, chartering authorities provide technical assistance to charter schools to support the schools' efforts to meet the terms of their charters and all applicable laws and regulations.

The BOE, which also governs District of Columbia Public Schools (DCPS), oversees 18 public charter schools, including three new charters in FY 2005 (refer to the organizational chart). Of the total FY 2005 projected student enrollment of 5,026, existing charters project an enrollment of 4,472 students and newly established schools project an enrollment of 554 students. The FY 2005 projections are comprised of the following grade level enrollments: 2,054 elementary, 1,346 middle/junior high, 1,551 senior high, and 75 adults. Also included in this amount, are 503 students receiving special education services, 332 students receiving limited or non English-language services and a summer school enrollment of 1,786 as well as 56 special education residential school attendees. All special education residential students attend Jos Arz Therapeutic Public Charter School).

The PCSB oversees 27 charter schools, including five new charters for FY 2005 (refer to the organizational chart). Of the total FY 2005

projected enrollment of 12,215 students, existing charters project an enrollment of 11,395 students and newly established schools project an enrollment of 820 students. The FY 2005 projections are comprised of the following grade level enrollments: 5,292 elementary, 2,795 middle/junior high, 3,228 senior high, and 900 adults. Included in this amount are 1,344 students receiving special education services, 318 students receiving limited or non English-language services and a summer school enrollment of 3,740.

FY 2004 Proposed Uniform Per Student Funding Formula Allocation

General Funds

Local Funds. The proposed budget is \$189,780,128, an increase of \$52,248,635 over the FY 2004 approved budget of \$137,531,493.

The Local funds that are allocated to PCS is an estimate based on the projected student enrollment of each public charter school. The budget consists of two components, funding per student based on the Uniform Per Student Funding Formula (UPSFF), and a facilities allotment allocated to each school based on enrollment numbers for leasing space, purchasing or building space, performing major repairs/renovations, major equipment purchase or securing loans. Funds are distributed quarterly to each charter school based on the student enrollment information available at the time. The July payment is based on PCS's student projections. The October and January payments are based on PCS's unaudited student head count. The April payment is based on PCS's audited student enrollment.

There are no FTEs supported by Local funds. The public charter schools are independent entities and employees are not considered full-time equivalents (FTEs) by District personnel entities.

Changes from the FY 2004 approved budget are:

- Proposed funding of \$132,656,617 an increase of \$29,150,020 over the FY 2004

approved budget of \$103,506,597 for schools under the authority of the PCSB, due primarily to an increasing student population and budget for five new schools. The FY 2005 funding assumes a total projected enrollment of 12,215 students, an overall increase of 2,292 students over the FY 2004 approved enrollment. This funding level includes \$25,027,360 for facilities allowance, an increase of \$4,241,717 over the FY 2004 amount.

- Proposed funding of \$57,123,511, an increase of \$23,598,616 from the FY 2004 approved budget of \$33,524,895 for schools under the authority of the BOE, due primarily to an increasing student population and budget for three new schools. The FY 2005 funding assumes a total projected enrollment of 5,026 students, an overall increase of 1,909 students over the FY 2004 approved enrollment. This funding level includes \$9,817,836 for facilities allotments, an increase of \$3,626,220.

Universal Pre-Kindergarten

The FY 2005 Proposed Budget includes an internal reallocation of funding to allow 231 additional pre-kindergarten students access to pre-kindergarten throughout the city. The proposed reallocation is funded through a reduction of the UPSFF weighting for Kindergarten from 1.17 to 1.03. This funding of \$1,642,574 is in addition to the funding provided for projected enrollments in FY 2005.

No Child Left Behind Contingency (NCLB) Funding

A contingency budget was established in FY 2004 as an enhancement to the DC Public Charter Schools budgets for costs associated with implementing the federal No Child Left Behind Act. This funding is provided in the Non-Departmental agency (DO0). For FY 2005 this amount is \$870,000. Funding for this initiative is contingent upon verification of the costs of the federal legislative requirements.

SPECIAL NOTES:

The funding for the Public Charter Schools is

derived solely from two distinct formulas: the Uniform Per Student Funding Formula (UPSFF) and the facilities allotment formula. Changes to those formulas in FY 2005 include:

UPSFF Calculation

The FY 2005 proposed UPSFF amount is \$154,184,933. The UPSFF was calculated pursuant to the UPSFF Act, which mandates that the operating budgets for individual public charter schools (and public schools) be derived based on a per student calculation. The FY 2005 UPSFF calculation provides a \$6,904 minimum or "foundation" amount of funding per student, which includes an inflationary increase of \$184 or 2.81 percent over the FY 2004 foundation level of \$6,551. In addition to the foundation level of funding, add-on weights are applied to account for individual student characteristics including: grade level, special education, language minority education, participation in summer school, and enrollment in a residential versus day program. Although public charter schools and D.C. Public Schools are funded through a uniform formula, the public charter schools' calculation is based on projected enrollment whereas the D.C. Public Schools' budget is based on their prior year audited enrollment.

Facilities Allowance

The FY 2005 proposed facilities allowance is \$1,981 per non-residential student, and \$5,348.70 per residential student. Proposed funding of \$34,845,196 provides facilities allowances to D.C. Public Charter Schools for 16,669 non-residential students and 341 residential students.

The facilities allowance is proposed to be capped at the FY 2004 levels for non-residential and residential students. This proposal will generate \$7,063,776 in savings, which will be redirected to the Child Care Subsidy fund in the Department of Human Services. These funds will be used to expand subsidized pre-kindergarten care to 3 and 4 year olds throughout the city in public, non-profit or private programs.

D.C. Public Charter School Board Allocation

The FY 2005 proposed allocation for the PCSB

is \$750,000, which represents a \$90,000 increase over the FY 2004 approved budget of \$660,000.

Federal Funds

The agency receives its federal funding through the D.C. Public Schools. D.C. Public Schools, as the federally acknowledged state education agency for the District, distributes federal dollars

to individual charter schools based on the type of grant, the charter schools' needs and their enrollment.

Private Funds

Individual charter schools receive Private funds from a variety of sources; however, Private funds are managed exclusively by each charter school.

Funding by Source

Table GC0-1 shows the sources of funding for the District of Columbia Public Charter Schools.

Table GC0-1

FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Local Fund	97,625	114,283	137,531	189,780	52,249	38.0
Special Purpose Revenue Fund	0	0	0	0	0	0.0
Total for General Fund	97,625	114,283	137,531	189,780	52,249	38.0
Federal Payments	0	3,974	0	0	0	0.0
Total for Federal Resources	0	3,974	0	0	0	0.0
Gross Funds	97,625	118,257	137,531	189,780	52,249	38.0

Expenditure by Comptroller Source Group

Table GC0-2 shows the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table GC0-2

FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
50 Subsidies and Transfers	97,625	118,257	137,531	189,780	52,249	38.0
Subtotal Nonpersonal Services (NPS)	97,625	118,257	137,531	189,780	52,249	38.0
Total Proposed Operating Budget	97,625	118,257	137,531	189,780	52,249	38.0

District of Columbia Public Charter Schools (GC0)
Per Pupil Funding Analysis (D.C. Act 12-494)
FY 2005 Budget

Foundation level per pupil	\$ 6,903.60
Non-Residential Facilities Allotment:	\$ 1,981.00
Residential Facilities Allotment:	\$ 5,348.70

Grade Level	Weighting	DCPCSB Total Enrollment	BOEB Total Enrollment	Total Enrollment	Per Pupil Allocation	Total Dollars
Pre-School	1.17	287	0	287	\$ 8,077	\$ 2,318,159
Pre-Kindergarten (Pre-K)	1.03	555	293	848	\$ 7,111	\$ 6,029,882
PRE-K INCENTIVE	1.03	161	70	231	\$ 7,111	\$ 1,642,574
Kindergarten	1.03	556	292	848	\$ 7,111	\$ 6,029,882
Grades 1-3	1.03	2165	865	3030	\$ 7,111	\$ 21,545,451
Grades 4-5	1.00	1470	534	2004	\$ 6,904	\$ 13,834,814
Ungraded ES	1.03	98	0	98	\$ 7,111	\$ 696,850
Grades 6 -8	1.03	2795	1346	4141	\$ 7,111	\$ 29,445,450
Ungraded MS/ JHS	1.03	0	0	0	\$ 7,111	\$ -
Grades 9 -12	1.17	3228	1551	4779	\$ 8,077	\$ 38,600,987
Ungraded SHS	1.17	0	0	0	\$ 8,077	\$ -
Alternative	1.30	0	0	0	\$ 8,975	\$ -
Special Ed Schools	1.17	0	0	0	\$ 8,077	\$ -
Adult	0.75	900	75	975	\$ 5,178	\$ 5,048,258
Subtotal General Education		12215	5026	17241		\$ 125,192,307

Special Education

Level 1	0.55	435	124	559	\$ 3,797	\$ 2,122,512
Level 2	0.85	624	186	810	\$ 5,868	\$ 4,753,129
Level 3	1.50	236	179	415	\$ 10,355	\$ 4,297,491
Level 4	2.70	49	14	63	\$ 18,640	\$ 1,174,302
Subtotal for Special Ed		1344	503	1847		\$ 12,347,434

English as a Second Language

LEP/NEP	0.40	318	332	650	\$ 2,761	\$ 1,794,936
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Special Education-Residential

Level 1 Residential	0.374	10	0	10	\$ 2,582	\$ 25,820
Level 2 Residential	1.360	10	0	10	\$ 9,389	\$ 93,889
Level 3 Residential	2.941	30	0	30	\$ 20,303	\$ 609,105
Level 4 Residential	2.924	0	0	0	\$ 20,186	\$ -
Level 5 Residential	9.40	0	56	56	\$ 64,894	\$ 3,634,055
Subtotal for Special Ed Residential		50	56	106		\$ 4,362,868

English as a Second Language Residential

LEP/NEP Residential	0.68	0	0	0	\$ 4,694	\$ -
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Residential

Residential	1.70	341	0	341	\$ 11,736	\$ 4,002,017
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Summer School	0.17	3740	1786	5526	\$ 1,174	\$ 6,485,371
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Total FY 2005 Instructional Dollars \$ 154,184,933

Facilities Allowance

Non-Residential Facilities Allotment	11713	4956	16669	\$ 1,981	\$ 33,021,289
Residential Facilities Allotment	341	0	341	\$ 5,349	\$ 1,823,907

Total FY 2005 Facilities Allowance \$ 34,845,196
Plus Public Charter School Board \$ 750,000

Total FY 2005 Budget \$ 189,780,128
Total FY 2004 Budget \$ 137,531,493
Difference \$ 52,248,635

Figure GC0-1

D.C. Public Charter Schools